



Administrator
Washington, DC 20201

JAN 17 2003

Mr. Eugene Gessow, Director
Bureau of Medical Services
Department of Human Services
11 State House Station
Augusta, ME 04333-0011

Dear Mr. Gessow:

We are pleased to inform you that your request dated August 16, 2002, to amend the Maine HIV/AIDS Demonstration has been approved. Your project number will continue to be 11-W 00128/1, as approved on February 24, 2000. This approval is under the authority of section 1115 of the Social Security Act.

As we understand it, Maine requested an amendment to its section 1115 HIV/AIDS demonstration to change one of the Special Terms and Conditions (STCs). This change in the STCs would allow providers to refuse services to demonstration participants if they do not pay the co-pay prior to delivery of service. The demonstration population is comprised of a group of up-to-200 uninsured individuals who are not eligible for Medicaid and whose income does not exceed 300 percent of the Federal poverty level. This would affect physician office visits and prescription drugs. There is no change in the co-payment of \$10 per visit/prescription. This change would affect an unknown percentage of the 200 individuals authorized to participate in the demonstration.

Per your request, we have amended the STCs of Approval, Section IV, Program Design/Operational Plan, Sub-section F, Cost Sharing, Item 1, Co-payment Information, by removing the last sentence which states "*The State will notify providers in writing that they may not refuse to provide services if the co-payment is not paid.*" I have enclosed a copy of the STCs reflecting this change. This amendment to the STCs is consistent with our policy as set forth in the Pharmacy Plus demonstrations which allows greater state flexibility in the collection of co-payments when a state expands health coverage through a section 1115 eligibility demonstration.

All other provisions, including the waivers and Federal matching authority and the other STCs of the original approval, will remain unchanged and enforced. This approval is subject to our receiving your written acceptance within 30 days of the date of this letter.

We commend you for your ongoing interest in serving the HIV-positive population in such a unique manner. We believe that your demonstration provides an excellent opportunity to assess, on a manageable scale, whether this approach can improve health outcomes within the constraints of budget neutrality under a section 1115 demonstration program.

Your project officer is Ms. Elizabeth Mack, who can be contacted at (410) 786-1282. Communications regarding program and administrative matters should be submitted to the project officer at the following address:

Centers for Medicare & Medicaid Services
Center for Medicaid and State Operations
Mail Stop S2-14-26
7500 Security Boulevard
Baltimore, MD 21244-1850

Official communications regarding program matters should be submitted simultaneously to the project officer and to Mr. Irvin Rich in our Boston regional office. Mr. Rich's address is:

Centers for Medicare & Medicaid Services
Division of Medicaid and State Operations
JFK Federal Building, RM 2325
Boston, MA 02203-0003

Should you have questions regarding this correspondence, please contact Mr. Thomas Hamilton, Director, Disabled and Elderly Health Programs Group at (410) 786-9493. We extend our congratulations on this approval and look forward to working with you and your staff during the course of the project.

Sincerely,

/s/

Thomas A. Scully

Enclosure